## REMARKS

Reconsideration of this application, as amended, is respectfully requested.

Initially, Applicants would like to thank the Examiner for indicating the allowability of claims 4 and 12-14 if rewritten in independent form to include all of the limitations of the base claim and any intervening claims.

In the Office Action, the Examiner rejects claims 5-9 under 35 U.S.C. §112, first paragraph, as failing to comply with the enablement requirement. Specifically, the Examiner states that in claim 1, the Applicants are claiming a passive type LCD with signal lines on one substrate and scanning lines on the opposing substrate, and in claim 5, which depends on claim 1, Applicants claim a switching device in the passive configuration of claim 1. The Examiner alleges that it is not clear how one would make an integrated passive and active display having signal lines on one substrate and scanning lines on a different substrate. Claims 6-9 are rejected based on their dependency on claim 5.

In response, Applicants have amended independent claims 1 and 11 to correctly recite that the first substrate includes <u>both</u> a plurality of signal electrodes <u>and</u> a plurality of scanning electrodes, thus of an active type LCD. Accordingly, Applicants respectfully request withdrawal of the 35 U.S.C. §112, first paragraph, rejection of claims 5-9.

Claims 1-2 are rejected under 35 U.S.C. §102(b) as being allegedly anticipated by U.S. Patent No. 6,693,692 to Kaneko et al. (hereinafter "Kaneko"). Claims 1 and 3 are rejected under 35 U.S.C. §102(b) as being allegedly anticipated by U.S. Patent No. 6,707,519 to Okumura et al. (hereinafter "Okumura"). Claim 11 is rejected under 35 U.S.C. §103(a) as being allegedly unpatentable over Okumura in view of U.S. Patent No. 6,657,689 to Baek (hereinafter "Baek").

In response, independent claims 1 and 11 have been amended to clarify their distinguishing features.

Specifically, independent claims 1 and 11 have been amended to recite that the first substrate includes <u>both</u> a plurality of signal electrodes being arranged in parallel to one another along a first direction, and a plurality of scanning electrodes being arranged in parallel to one another along a second direction orthogonal to the first direction, and a plurality of pixel regions each having a pixel electrode being placed in a one-to-one correspondence to an intersection between each of the signal electrodes and each of the scanning electrodes. Further, independent claims 1 and 11 have been amended to recite that <u>the transparent electrode film in the transmissive display mode serves as the pixel electrode</u> and the reflective film in the reflective <u>display mode serves as the pixel electrode</u>.

Support for the amendment is found throughout the specification; and among other places, in Figs. 1-2, and page 35, line 8 – page 36, line 14. Accordingly, Applicants respectfully submit that no new matter has been added by way of the amendment to the claims, and Applicants respectfully request entry of the amendment.

As shown in Figs. 1-2, an active matrix substrate 12 includes a transparent insulating substrate 8, a gate line 1 and a signal electrode 2 formed on the transparent insulating substrate 8, a scanning electrode 1a being connected to the gate line 1, a common storage line 4, an auxiliary capacitive electrode 4a, a gate insulating film 9, a semiconductor layer 3a, a drain electrode 2a and a source electrode 2b drawn from both ends of the semiconductor layer 3a and connected respectively to the data line 2 and a pixel electrode, a capacitive accumulating electrode 2c, and a passivation film 10.

The pixel electrode is constructed so that there is a one-to-one correspondence to an intersecting point between the signal electrode 2 and the scanning electrode 1. Each of the pixel regions PX is made up of a transmissive region PXa to allow light fed from the backlight source 18 to transmit, and a reflective region PXb to have incident ambient light be reflected. In the reflective region PXb, a reflective film 6 made of Al or an Al alloy is formed and a transparent electrode film 5 made of ITO (Indium Tin Oxide) or a like is formed throughout the pixel region PX in a manner so as to cover all surfaces of the reflective film 6 through a second passivation film 24 sandwiched between the transparent electrode film 5 and the reflective film 6. The transparent electrode film 5 and reflective film 6 connected to the source electrode 2b through a contact hole 7 operates as a pixel electrode.

Independent claims 1 and 11, as amended, both provide for a plurality of pixel regions each having a pixel electrode. Each pixel region includes a reflective region having a reflective film in a reflective display mode, and a transmissive region having a transmissive electrode film in a transmissive display mode, where the transparent electrode film in the transmissive display mode serves as the pixel electrode and the reflective film in the reflective display mode serves as the pixel electrode. Further, the first substrate includes both a plurality of pixel electrodes and a plurality of scanning electrodes. These limitations are not disclosed by any of the cited references.

Anticipation requires the presence in a single prior art reference, disclosure of each and every element of the claimed invention, arranged as in the claim. <u>Lindeman Maschinenfabrik</u> <u>GMBH v. American Hoist and Derrick Company</u>, 730 F.2d 1452, 1458, 221 U.S.P.Q. 481, 485 (Fed. Cir. 1984). As the cited references of Kaneko and Okumura each fail to teach the elements of independent claim 1 as shown above, Applicants respectfully request withdrawal of the 35

U.S.C. §102(b) rejection of claims 1-2 under Kaneko, and withdrawal of the 35 U.S.C. §102(b)

rejection of claims 1 and 3 under Okumura.

Further, it has been held by the Courts that to establish prima facie obviousness of a

claimed invention, all the claim limitations must be taught or suggested by the prior art. In re

Royka, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). As the cited references of Okumara and

Baek, individually or in combination, fail to teach the limitations of independent claim 11,

Applicants respectfully withdrawal of the 35 U.S.C. §103(a) rejection of independent claim 11

over Okumura in view of Baek.

Accordingly, Applicants respectfully request allowance of claims 1-14.

In view of the above, it is respectfully submitted that this application is in condition for

allowance. Accordingly, it is respectfully requested that this application be allowed and a Notice

of Allowance issued. If the Examiner believes that a telephone conference with Applicants'

attorney would be advantageous to the disposition of this case, the Examiner is requested to

telephone the undersigned.

Respectfully submitted,

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